

HOME FRONT

NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY

FALL 2000

MESSAGE FROM THE EXECUTIVE DIRECTOR

October is Affordable Housing Month in New Jersey and in celebration we are proud to co-sponsor the sixth annual Governor's Conference on Housing and Community Development on October 18th & 19th in Atlantic City. Each year the Housing Conference brings together developers, lenders, non-profit organizations and people from both state and local government to discuss ways to develop strong communities and create quality housing at a low cost.

New Jersey is a great place to live, work and raise a family and we are working hard to create affordable rental opportunities, help more New Jersey families become home owners and develop programs to address other housing needs. In July, Gov. Whitman announced a new program for urban home owners in select areas. The HMFA *Home Sweet Home* program offers low-cost loans to home owners who wish to make home improvements and enhance the value of their property.

The Governor's Housing Conference is an excellent opportunity to learn about the latest programs and initiatives in the state's housing industry, such as *Home Sweet Home*. Join us in Atlantic City to learn about HMFA's success stories and to share some of yours.


DEBORAH DE SANTIS

New Jersey
a great place to
Live
work, and raise a family



PERMANENCY PROJECT SELECTED "BEST OF THE BEST"

HMFA's *Home Ownership for Permanency Project* received one of the U.S. Department of Housing and Urban Development's highest honors at the HUD Best Practices and Technical Assistance 2000 Symposium in August. The *Home Ownership for Permanency Project* makes below-market rate mortgages available to lower-income adoptive families who are unable to make a permanent adoption commitment because of insufficient, inadequate or unaffordable housing.

"HMFA is proud to be recognized by HUD for our efforts to create innovative solutions to housing needs. I would like to thank the HMFA staff for their hard work in making the *Home Ownership for Permanency Project*, and all our programs, so successful."

Deborah De Santis
HMFA Executive Director

Each year, local HUD offices recognize outstanding community achievement with its Best Practices seal of approval. The initiatives selected as Best Practices are chosen for their positive impact on those they are intended to serve, the creative use of resources and formation of partnerships between government agencies, non-profit organizations and private businesses. Best Practice Award-winning programs serve as models that can be replicated in other areas of the country.

The local Best Practices winners then compete to be named one of the Best of the Best. HUD received 2,800 Best of the Best nominations this year and presented the Best Practices Awards to the top 100 community housing programs in the nation.

HMFA's *Home Ownership for Permanency Project* was the first program in the nation for families considering adoption who were in need of financing to pro-



Pictured with the HUD Best Practices award, from left to right, are: HUD Secretary Andrew Cuomo, HMFA Executive Director Deborah De Santis, HMFA Chief of Policy and Planning Greg Adkins, and HUD Deputy Secretary Saul Ramirez Jr.

vide adequate housing for their new family members. Many of the children placed with relative caregivers or adoptive parents suffer from mental, behavioral and/or physical problems. Since its introduction in 1999, the *Permanency Project* has helped over a dozen families purchase new homes or make accessibility improvements for the 53 permanently placed children in their care.

HMFA received two other awards at the HUD symposium. The HUD New Jersey State Office awarded HMFA a Local Best Practices Award for creating a federal Low Income Housing Tax Credit (LIHTC) prioritization for projects utilizing HUD McKinney funds, participating in the HUD HOPE VI Program or instituting a Community Policing Program.

HMFA's Home Buyer Information Fairs, which bring information on home ownership and credit counseling to individuals in urban areas who are thinking about purchasing a home, were awarded a Simply The Best distinction by the HUD Camden Area Office.

2000 LOW INCOME HOUSING TAX CREDIT RESERVATIONS

Project	Municipality	County	Units	Tax Credits
32nd Street Project	Camden	Camden	50	\$757,456
Bayonne Senior Housing	Bayonne	Hudson	74	\$724,605
Davenport Village Apts.	Hainesport	Burlington	56	\$454,381
Eastampton Town Center	Eastampton Twp.	Burlington	100	\$1,025,494
Marina Village	Elizabeth	Union	35	\$500,773
New Brunswick Homes	New Brunswick	Middlesex	68	\$963,025
River Drive Residence	Passaic	Passaic	100	\$783,182
Spring Mill	Harrison Twp.	Gloucester	94	\$716,368
The Flicker Residence	Voorhees	Camden	36	\$422,532
The Summit	Irvington	Essex	12	\$132,930
Trenton Waterworks	Trenton	Mercer	22	\$360,747
West New York Housing	West New York	Hudson	142	\$1,500,000
West View Apartments	Union City	Hudson	37	\$407,568
TOTALS			826	\$8,834,322

The proposed 2001 Qualified Allocation Plan is scheduled to be released in November 2000. Developers and sponsors will be notified by mail of the QAP's availability on the HMFA web site at www.nj-hmfa.com. HMFA will again hold developer training sessions in January 2001 prior to the application deadline on February 28, 2001.

HMFA BOARD WELCOMES REV. DR. WILLIAM D. WATLEY

Gov. Christie Whitman has appointed Reverend Dr. William D. Watley, pastor of St. James AME Church in Newark, to fill the newest public member position on the HMFA board of directors recently created by the state legislature. Rev. Watley's appointment was approved by the legislature in May 2000. He attended his first board meeting in September.

Rev. Watley has been the minister of St. James AME Church for 15 years. He assisted the community in founding the St. James Preparatory School and St. James Family Development Center. Rev. Watley serves as chairman of St. James Preparatory School and is a member of the First Union National Bank Community Development Advisory Council and Beth Israel Hospital board of directors.



HMFA Executive Director Deborah De Santis (right) congratulates (from left to right) Joyce Lacy, Paul O'Keeffe and Joyce Ungar on their retirement from the Agency this summer. Joyce Lacy had 14 years of service, Paul O'Keeffe had 4 years and Joyce Ungar had 28 years of service with HMFA.

NEW REHAB PROGRAM MEETS NEEDS OF URBAN HOME OWNERS

New Jersey's urban centers are experiencing a time of great revitalization. Since its inception in 1996, HMFA's *Urban Home Ownership Recovery Program (UHORP)* has made significant contributions to the renewal being experienced in New Jersey's cities, financing the construction or rehabilitation of over 2,000 homes in 21 urban areas. HMFA, in partnership with private lenders, has leveraged \$162 million to finance the first new construction for these urban centers in decades.

As *UHORP* brings new housing stock to urban neighborhoods, the preservation of existing homes becomes an equally important component of community stabilization. HMFA's newest program, *Home Sweet Home*, assists home owners in designated neighborhoods surrounding *UHORP* developments by offering low interest loans for home improvements and general rehabilitation. The \$10 million *Home Sweet Home* pilot loan program is available to home owners living in designated neighborhoods adjacent to new single family homes constructed through *UHORP* in Camden, Newark and Trenton. Very low interest loans are available to owners who want to enhance the appearance and value of their older homes.

"The strength of New Jersey's urban neighborhoods lies in the members of the community. The *Home Sweet Home* program will help urban home owners bring new life to their neighborhood by providing the financial assistance to make home improvements and to make their homes more attractive."

Commissioner Jane M. Kenny
Department of Community Affairs

Through the *Home Sweet Home* program, home owners may apply for a 20-year 3% fixed interest rate loan for up to 100% of the after-rehabilitation appraised value of the home. Borrowers who need more funds or who do not qualify for the 20-year loan may apply for a deferred payment loan of up to \$50,000 with an interest rate of between 0% and 3%, based on household income.

Income limits apply for both loans. There are no monthly payments on the deferred loan, which is due in 30 years or when the house is sold. As an added incentive to strengthen the community, deferred loans will be 25% forgiven if the borrower remains in the home for at least 5 years.

"HMFA has made \$10 million available to home owners in Camden, Newark and Trenton for the rehabilitation of their homes at interest rates they can afford," said HMFA Executive Director Deborah De Santis. "This is an opportunity for urban home owners to fix up their older homes and boost the desirability of the neighborhood."

Home owners who take advantage of the *Home Sweet Home* program must address exterior and interior code violations and any other conditions that present a danger to health and safety prior to undertaking other improvements.

Once the appropriate building codes are met, home owners may make other exterior and interior improvements such as structural repairs, energy-saving improvements and appliances, roof/window repair or replacement. A rehabilitation advisor will work with each home owner in determining the scope of the rehabilitation and prepare a cost estimate.



A Better Camden Corporation (ABC), a subsidiary of the New Jersey Housing and Mortgage Finance Agency formed in 1997 to facilitate the implementation of the state's *Camden Initiative*, has made a significant contribution to the resurgence of Camden's neighborhood communities. The ABC Corp.'s investment, along with additional funds provided by the state, is being used to create new housing opportunities, improve safety and encourage economic development throughout the city.

In January, ABC Corp. allocated \$1.5 million to the first phase of the East Camden Gateway Project to aid in the acquisition of 22 abandoned homes. The three phase project calls for the rehabilitation of approximately 65 properties in the Marlton neighborhood bordering the Admiral Wilson Boulevard. The homes will be rehabilitated with the assistance of St. Joseph's Carpenter Society, a non-profit faith-based agency that has redeveloped over 200 abandoned properties throughout the city.

A second East Camden initiative will focus on the redevelopment of the North 32nd Street area, which was formerly known as an open air drug market. After the Camden police and prosecutor's office halted the neighborhood drug trade, the ABC Corp. acquired 50 properties in the area. The ownership of these properties, valued at

\$1.3 million, was transferred to St. Joseph's Carpenter Society in June for the construction of 45 new duplex units and 5 single family units for rental to low-income families.

The Parkside neighborhood in South Camden will also receive funds from the ABC Corp. for redevelopment projects. The Department of Community Affairs (DCA) and the ABC Corp. have committed up to \$1 million for the purchase of blighted properties on Park Boulevard for rehabilitation by Parkside Business and Community in Partnership for sale to mixed-income buyers. HMFA has set aside \$1 million in 5% interest mortgages to mixed-income home buyers in the Parkside neighborhood.

Creating new home ownership opportunities is also the goal in the Cooper Plaza neighborhood where the ABC Corp. and the Camden Empowerment Zone, Inc. have made an initial investment of \$5.5 million toward rehabilitating existing homes and building new homes in the area surrounding the successful Walt Whitman Village development. Walt Whitman Village consists of 18 single family town homes financed by the ABC Corp. The Cooper Plaza Development Project consists of three phases and includes plans for creating more off-street parking and expanding the neighborhood park.

"Revitalizing neighborhoods is one of the keys to a brighter future for the city of Camden. The state is continuing its commitment to work with the community to bring investment and opportunity back to the streets of Camden and to attract all income groups to the city."

Christine Todd Whitman
Governor



DCA Commissioner Jane M. Kenny prepares to begin demolition of an abandoned building used as a base for drug dealers on N. 6th Street.



HMFA Executive Director Deborah De Santis (left) and Department of Community Affairs Commissioner Jane M. Kenny (center) present Monsignor Robert McDermott of St. Joseph's Carpenter Society with a deed symbolizing the transfer of \$1.3 million in property around N. 32nd Street from the ABC Corp. to St. Joseph's for redevelopment as rental housing.



Camden City Council President Gwen Faison addresses neighborhood residents at a press conference to announce a \$5.5 million initiative to revitalize the Cooper Plaza neighborhood.



HMFA

New Jersey Housing
and Mortgage
Finance Agency

637 South Clinton Avenue
P.O. Box 18550
Trenton, NJ 08650-2085

FIRST CLASS MAIL
U.S. POSTAGE
PAID
TRENTON, NJ
PERMIT NO. 1062



UPCOMING EVENTS			HOME FRONT FALL 2000
OCTOBER			<p>Home Front is a newsletter produced by the New Jersey Housing and Mortgage Finance Agency (HMFA). HMFA creates and implements programs to advance the rehabilitation, construction and financing of affordable housing for the state's residents, lenders, developers, and contractors. HMFA is the state administrator for federal housing assistance programs, and works in cooperation with state, municipal and not-for-profit agencies. HMFA secures program funding and operating expenses through the sale of taxable and non-taxable bonds to private sector investors, and is not dependent upon funding from the state Treasury.</p> <p>EDITORS SUSAN SANDS AMANDA WIEDEMANN</p> <p>CONTRIBUTING STAFF CLAUDIA LOVAS</p> <p>GRAPHIC DESIGN ANA MARIA RIVERA-PRAMUK</p> <p>MAIN SWITCHBOARD: 609-278-7400 HOTLINE: 1-800-NJ-HOUSE www.nj-hmfa.com</p>
	•HARRISON SCHOOL HALLOWEEN PARADE		
10 TH	•ESSEX COUNTY REALTORS BREAKFAST		
11 TH - 13 TH	•NJ LEAGUE OF MORTGAGE LENDERS ANNUAL CONFERENCE		
18 TH & 19 TH	•GOVERNOR'S CONFERENCE ON HOUSING AND COMMUNITY DEVELOPMENT		
21 ST	•PERTH AMBOY HOUSING FAIR		
26 TH	•CELEBRATION 50+ EXPO, MONMOUTH COUNTY		
26 TH	•BOARD MEETING		
<hr/>			
NOVEMBER			
14 TH - 17 TH	•NJ STATE LEAGUE OF MUNICIPALITIES		
16 TH	•CELEBRATION 50+ EXPO, GREATER MEADOWLANDS AREA		
30 TH	•BOARD MEETING		
<hr/>			
DECEMBER			
8 TH	•SUPPORTIVE HOUSING CONFERENCE		
21 ST	•BOARD MEETING		
CHRISTINE TODD WHITMAN GOVERNOR	JANE M. KENNY COMMISSIONER, DCA CHAIRMAN, HMFA	DEBORAH DE SANTIS EXECUTIVE DIRECTOR	